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STAFF NOTES:

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SOVIET UNION - EASTERN EUROPE

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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East Europe Reacts to Events in Indochina

East European media coverage of events in Indochina has predictably lauded the military achievements of the advancing Communist forces and sharply criticized the Saigon and Phnom Penh governments. They have generally showed restraint, however, in their treatment of the US.

East Germany

Pankow reserved its sharpest anti-US invective for Operation Babylift (Staff Notes, April 10). The East Germans also chastised Bonn for providing material and moral support to the Thieu government and for using the Vietnam issue to stir up anticommunism. Pankow charged that Thieu's breach of the Paris peace accords was made with active US participation.

Bulgaria

Although Bulgarian commentary on Indochina has been sparse, Sofia says that enlightened US observers recognize Washington cannot resolve its problems in Vietnam. Sofia also claims that the campaign to save the refugees is both an effort to save Thieu's army and a smokescreen to prepare world public opinion for a new US intervention in Indochina.

Czechoslovakia

Prague's coverage of the situation has stressed the successes of the anti-Thieu military forces, but even this coverage has been relatively sparse. The Czechoslovak news media have said little about US policy in Indochina, but one commentary stated that the US must recognize that long-term moral disintegration led to the collapse of the Thieu regime.

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Hungary

Thus far, the Hungarians have provided only low-level official reaction. The tone of this commentary seeks to justify Communist military actions as "forcing the implementation of the Paris agreements." Budapest claims that Saigon's "crude and regular violations" of the accords and US arms supplies to the South Vietnamese necessitated these actions.

Poland

Polish media have dutifully supported the North Vietnamese, while castigating the Thieu regime. Following Moscow's lead, Warsaw asked the Cambodian ambassador to leave the country by April 9. Within the last week, the Poles have refrained from direct criticism of the US.

Romania

Romanian media have covered the Indochina scene with brief, reportorial accounts that betray obvious pleasure--but do not gloat--over the successes of the insurgent forces. A recent article in the party daily, Scinteia, typifies Bucharest's reaction by quoting both President Ford and Secretary Schlesinger as describing the situation in Cambodia and South Vietnam as a "catastrophe." Party leader Ceausescu speaking in Manila yesterday, sharply criticized President Ford's request for more military aid to Saigon.

Yugoslavia

Yugoslav media have followed in detail both the collapse of the "puppet armies" in South Vietnam and Cambodia and the debates in Washington over the situation.

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Belgrade has issued only a few commentaries on the impact of events in Indochina on US influence in international affairs. A Yugoslav correspondent in Washington recently reported that there is a "painful realization" in Washington that the "policy of force, domination, spheres of interest and diktats cannot represent the framework for a stable international system." The commentator praised President Ford for not seeking new US military involvement in the area.

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Yugoslav Premier Completes Official Talks in Moscow

Premier Bijedic completed the official portion of his seven-day visit to the USSR on Thursday morning. The Yugoslavs claim satisfaction with the discussions, and Bijedic is now visiting Soviet tourist spots.

The final communique is expected to include a reassertion of past Soviet promises to respect Belgrade's independent road to socialism, according to the Yugoslavs. Moreover, three major economic agreements have been signed that will call for the construction of nuclear power plants in Yugoslavia as well as increased cooperation in both the automobile and ship-building industries.

Yugoslav press coverage of the visit has tact-fully avoided referring directly to Belgrade's polemic against Soviet "belittling" of the Yugoslav partisan effort during World War II. Several articles in the Soviet press and Kosygin's toast at a state dinner on Wednesday praised the wartime sacrifices of the Yugoslavs. These gestures probably contributed to Belgrade's decision to avoid press denunciations. Bijedic, just for the record, however, opened his toast by coupling praise for the Soviet role in the war with a pointed review of Yugoslav partisan accomplishments.

Belgrade is not likely to dwell on the dispute over the history of the war as long as its Premier is in the Soviet Union. Yugoslav reporters are, however, seeking out—and finding—more Soviet "insults" to Yugoslavia's revolutionary history. A recent book on Soviet foreign policy, for example, drew fire from Belgrade on the eve of Bijedic's trip for alleging that, of all East European liberation movements, only Bulgaria's was "socialist from the very beginning." The

book carried an introduction by Soviet Foreign Minister Gromyko--an official endorsement that is rankling the sensitive Yugoslavs.

The recent comments of a senior Yugoslav dip-	
lomat	25X1X
indicate the gravity with which many Yugoslavs view	20/(1/(
the Soviet interpretation of Yugoslav history. The	
diplomat said Belgrade believes the Soviets are	
deliberately downgrading the Yugoslav revolution	
and Titohimselfin order to encourage pro-Soviet	
elements in Yugoslavia and to increase the uncer-	
tainties in the Yugoslav succession. As a result, he	
stressed that Yugoslavia is making an effort to "find	
new friends and external support" and mentioned in	
particular Albania and China. He also said the Yugo- slavs are pleased by the prospect of President Ford's	
visit later this year. The diplomat hopes that Pres-	
ident Ford will, during the visit, make a clear state-	
ment reminding Moscow that the US is following Yugo-	
slav developments.	25X1
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Romania: Testing US Trade Climate

Minister of Heavy Industry Ioan Avram arrived in the United States on April 6 to discuss the purchase of equipment for the 1976-80 economic plan. Among the items Bucharest may buy are petroleum machinery, equipment for producing roller bearings and vehicle transmissions, and naval construction equipment.

Avram indicated that prospects for purchases are poor unless the US restores Export-Import Bank financing suspended under the Trade Act of 1974. That financing now depends on congressional approval of the US-Romanian trade agreement signed April 2. Following authorization for Export-Import credits in 1971, Romania increased its imports of machinery and equipment from the US from \$12 million in 1971 to \$88 million in 1974.

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